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(Original Signature of Member)

118TH CONGRESS
2D SESSION

H. R. _____

To require the Board of Governors of the Federal Reserve System to provide access to FedNow to affordable remittance providers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. TORRES of New York introduced the following bill; which was referred to the Committee on _____

A BILL

To require the Board of Governors of the Federal Reserve System to provide access to FedNow to affordable remittance providers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Affordable Remittance
5 Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) According to the Migration Data Portal, re-
2 mittance payments support families across the globe
3 and amount to \$860,000,000,000 of global pay-
4 ments annually, which surpasses the size of foreign
5 direct investment and development aid to low- and
6 middle-income countries, excluding China.

7 (2) Remittance payments are the single largest
8 source of financial support to emerging markets.

9 (3) According to the World Bank, digital remit-
10 tance providers have used technology to improve fi-
11 nancial inclusion by improving access and reducing
12 costs to consumers over the last decade from an av-
13 erage of 9 percent to approximately 6 percent in
14 2023.

15 (4) Digital remittance providers can offer near
16 instantaneous payments for consumers around the
17 clock.

18 (5) Access to Federal Reserve payment rails
19 could enable digital remittance providers to further
20 drive down the cost of remittance payments.

21 **SEC. 3. FEDNOW ACCESS.**

22 (a) IN GENERAL.—The Board of Governors of the
23 Federal Reserve System shall, beginning on the date that
24 is 90 days after the date of the enactment of this section

1 provide access to FedNow to each affordable remittance
2 provider.

3 (b) AFFORDABLE REMITTANCE PROVIDER.—

4 (1) IN GENERAL.—The Board of Governors of
5 the Federal Reserve System shall, not later than 60
6 days after the date of the enactment of this section,
7 publish a definition of the term “affordable remit-
8 tance provider”.

9 (2) CONSIDERATIONS.—When defining the term
10 “affordable remittance provider”, the Board of Gov-
11 ernors of the Federal Reserve System—

12 (A) shall only include persons whose pri-
13 mary business is facilitating affordable remit-
14 tance payments;

15 (B) may not include depository institutions
16 (as such term is defined in section 3 of the
17 Federal Deposit Insurance Act)

18 (C) may not include any person in such
19 definition unless the person—

20 (i) is registered with the Financial
21 Crimes Enforcement Network of the De-
22 partment of the Treasury or otherwise
23 demonstrates compliance with the require-
24 ments of the Bank Secrecy Act; and

1 (ii) is subject to regulation by a State
2 or Federal agency with jurisdiction over
3 consumer protection; and

4 (D) shall consider the World Bank’s 3 per-
5 cent sustainable development goal.

6 (3) LIMITATION.—With respect to persons who
7 are not otherwise subject to supervision or regula-
8 tion by the Board of Governors of the Federal Re-
9 serve System, the Board of Governors may not im-
10 pose capital or liquidity requirements, or otherwise
11 supervise, affordable remittance providers, except as
12 necessary to ensure performance on payments en-
13 tered in FedNow.

14 (4) BANK SECRECY ACT DEFINED.—In this
15 subsection, the term “Bank Secrecy Act” means—

16 (A) section 21 of the Federal Deposit In-
17 surance Act (12 U.S.C. 1829b);

18 (B) chapter 2 of title I of Public Law 91–
19 508 (12 U.S.C. 1951 et seq.); and

20 (C) subchapter II of chapter 53 of title 31,
21 United States Code.

22 (c) ANNUAL REPORT ON TRENDS IN THE COSTS OF
23 REMITTANCES.—The Board of Governors of the Federal
24 Reserve System shall annually transmit to Congress a re-
25 port on trends in the costs of remittances.

1 (d) RULE OF CONSTRUCTION.—Nothing in this sec-
2 tion may be construed to required the Board of Governors
3 of the Federal Reserve to provide access to master ac-
4 counts to affordable remittance providers.